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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

TOM FORESE - Chairman
BOB BURNS
ANDY TOBIN
BOYD DUNN
JUSTIN OLSON

In the matter of:

WMF Management, LLC, a Delaware
limited liability company,

Woodbridge Group of Companies, LLC, a
Delaware limited liability company,

Woodbridge Mortgage Investment Fund 1,
LLC, a Delaware limited liability company,

Woodbridge Mortgage Investment Fund 2,
LLC, a Delaware limited liability company,

Woodbridge Mortgage Investment Fund 3,
LLC, a Delaware limited liability company,

Woodbridge Mortgage Investment Fund
3A, LLC, a Delaware limited liability
company,

Robert H. Shapiro, an unmarried man,

Robert W. Carfagno, Senior. (CRD no.
2387162), and Debra L. Carfagno, husband
and wife,

AIO Financial LLC, an Arizona limited
liability company,

William M. Holliday (CRD no. 4930333),
and Guadalupe A. Holliday, husband and
wife,

Respondents.

DOCKET NO. S-20988A-16-0354

DECISION NO. 76961

**ORDER TO CEASE AND DESIST, ORDER
FOR RESTITUTION, ORDER FOR
ADMINISTRATIVE PENALTIES, AND
CONSENT TO SAME BY: RESPONDENTS
WMF MANAGEMENT, LLC, WOODBRIDGE
GROUP OF COMPANIES, LLC,
WOODBRIDGE MORTGAGE INVESTMENT
FUND 1, LLC, WOODBRIDGE MORTGAGE
INVESTMENT FUND 2, LLC, WOODBRIDGE
MORTGAGE INVESTMENT FUND 3, LLC,
AND WOODBRIDGE MORTGAGE
INVESTMENT FUND 3A**

Arizona Corporation Commission

DOCKETED

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DOCKETED BY

Respondents WMF Management, LLC, Woodbridge Group of Companies, LLC,
Woodbridge Mortgage Investment Fund 1, LLC, Woodbridge Mortgage Investment Fund 2, LLC,

1 Woodbridge Mortgage Investment Fund 3, LLC, and Woodbridge Mortgage Investment Fund 3A
2 (collectively, "Respondents") elect to permanently waive any right to a hearing and appeal under
3 Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 et seq. ("Securities Act")
4 with respect to this Order to Cease and Desist, Order for Restitution, Order for Administrative
5 Penalties, and Consent to Same ("Order"). Respondents admit the jurisdiction of the Arizona
6 Corporation Commission ("Commission"); neither admit nor deny the Findings of Fact and
7 Conclusions of Law contained in this Order; and consent to the entry of this Order by the
8 Commission.

9 **I.**

10 **FINDINGS OF FACT**

11 1. WMF Management, LLC ("WMF Management") is a limited liability company
12 organized under the laws of the state of Delaware on June 25, 2012.

13 2. Woodbridge Group of Companies, LLC ("Woodbridge Group") is a limited
14 liability company organized under the laws of the state of Delaware on December 11, 2014.
15 Woodbridge Group has not been registered by the Commission as a securities salesman or dealer.

16 3. Woodbridge Mortgage Investment Fund 1, LLC ("Woodbridge Fund 1") is a
17 limited liability company organized under the laws of the state of Delaware on June 25, 2012.
18 Woodbridge Fund 1 has not been registered by the Commission as a securities salesman or
19 dealer.

20 4. Woodbridge Mortgage Investment Fund 2, LLC ("Woodbridge Fund 2") is a
21 limited liability company organized under the laws of the state of Delaware on December 6,
22 2013. Woodbridge Fund 2 has not been registered by the Commission as a securities salesman or
23 dealer.

24 5. Woodbridge Mortgage Investment Fund 3, LLC ("Woodbridge Fund 3") is a
25 limited liability company organized under the laws of the state of Delaware on September 9,
26

1 2014. Woodbridge Fund 3 has not been registered by the Commission as a securities salesman or
2 dealer.

3 6. Woodbridge Mortgage Investment Fund 3A, LLC ("Woodbridge Fund 3A") is a
4 limited liability company organized under the laws of the state of Delaware on July 28, 2015.
5 Woodbridge Fund 3A has not been registered by the Commission as a securities salesman or
6 dealer.

7 7. Woodbridge Fund 1, Woodbridge Fund 2, Woodbridge Fund 3, and Woodbridge
8 Fund 3A may be referred to collectively as "the Woodbridge Funds." WMF Management,
9 Woodbridge Group, and the Woodbridge Funds may be referred to collectively as "Respondents."

10 8. Robert H. Shapiro ("Shapiro") was the managing member of WMF Management
11 from June 25, 2012, to December 1, 2017. WMF Management was the managing member of
12 Woodbridge Fund 1, Woodbridge Fund 2, Woodbridge Fund 3, and Woodbridge Fund 3A from
13 the dates that they were organized until December 1, 2017.

14 9. The Woodbridge Funds were commercial lenders that made hard-money loans
15 secured by commercial property. The Woodbridge Funds raised money from investors to help fund
16 the hard-money loans. Respondents referred to these investments as First Position Commercial
17 Mortgages ("FPCMs"). Investors did not have any role other than providing money.

18 10. Since at least August 12, 2013, and until December 1, 2017, Arizona investors and
19 non-Arizona investors solicited by an Arizona salesperson invested in FPCMs with a total of 635
20 separate investments. Together these investors invested a total of \$38,428,877.42 in FPCMs. The
21 Woodbridge Funds have repaid principal of \$34,845,983.42 to the investors. Woodbridge Group
22 offered an FPCM to an Arizona offeree.

23 11. An FPCM consisted of a promissory note from a Woodbridge Fund, a loan
24 agreement, and a non-exclusive assignment of a particular Woodbridge Fund's security interest in
25 the mortgage for the underlying hard-money loan. The Woodbridge Funds pooled money from
26 multiple investors for each hard-money loan. The Woodbridge Funds' advertising materials stated

1 that the Woodbridge Funds were obligated to make payments to FPCM investors even if the hard-
2 money borrower defaulted. If a Woodbridge Fund defaulted on its promissory note to an investor,
3 the FPCM assignment documents required it to pay to the investor any payments the Woodbridge
4 Fund received from the underlying hard-money borrower.

5 12. The FPCMs were securities in the form of notes, investment contracts, and real
6 property investment contracts.

7 13. From on or about August 2012 through December 1, 2017, the Woodbridge Funds
8 operated as a Ponzi scheme. The Respondents told FPCM investors they would be repaid from the
9 high rates of interest on loans the Woodbridge Funds were purportedly making to third-party
10 borrowers. However, nearly all the purported third-party borrowers were actually limited liability
11 companies owned and controlled by Shapiro that had no revenue, no bank accounts, and never paid
12 any interest under the loans. Because of the minimal loan interest received, the Woodbridge Funds
13 made principal and interest payments to FPCM investors primarily with new investor funds.
14 Respondents omitted to tell FPCM investors that their investment funds, and not loan interest, would
15 be the primary source to satisfy principal and interest payments due to earlier investors.

16 14. On May 4, 2015, Woodbridge Fund 1, Woodbridge Fund 2, and Woodbridge Fund 3
17 consented to an order by the Massachusetts Securities Division ("Massachusetts Consent"). The
18 Massachusetts Consent found that the FPCMs are securities and that Woodbridge Fund 1,
19 Woodbridge Fund 2, and Woodbridge Fund 3 had violated the Massachusetts Uniform Securities
20 Act by selling unregistered securities. The Massachusetts Consent also required them to offer
21 rescission to Massachusetts investors and to pay a civil penalty of \$250,000.

22 15. On July 17, 2015, the Texas State Securities Board issued an emergency cease and
23 desist order ("Texas Order") against Woodbridge Fund 3, Shapiro, and other parties that ordered
24 them to stop engaging in fraud in connection with the sale of securities in Texas. The Texas Order
25 alleged that the FPCMs are securities and alleged that Woodbridge Fund 3 and Shapiro were
26

1 engaging in fraud in connection with the sale of securities by failing to disclose the Massachusetts
2 Consent and various investment risks to potential investors.

3 16. On March 18, 2016, Woodbridge Fund 3 and Shapiro consented to an order by the
4 Texas State Securities Board ("Texas Consent"). The Texas Consent found that Shapiro was the
5 controlling person of Woodbridge Fund 3, concluded that the FPCMs were securities, and
6 concluded that Woodbridge Fund 3 and Shapiro violated the Texas Securities Act by offering
7 unregistered securities.

8 17. Woodbridge Fund 1, Woodbridge Fund 2, Woodbridge Fund 3, and Woodbridge
9 Fund 3A each omitted to tell Arizona FPCM investors about the risks associated with the FPCMs,
10 the Massachusetts Consent, the Texas Consent or Texas Order, or the fact that Woodbridge was
11 operating as a Ponzi scheme.

12 18. Individuals selling Woodbridge Group and Woodbridge Fund 3A FPCMs
13 misrepresented to at least two other Arizona FPCM investors before they invested that, "Woodbridge
14 and its predecessors have never been found to have violated any securities law." In fact, the
15 Massachusetts Consent found that three of the Woodbridge Funds had violated the Massachusetts
16 Uniform Securities Act.

17 19. On or around April 15, 2016, an individual offering a Woodbridge Group FPCM to
18 at least one prospective Arizona investor told her that the only risk was that she would lose her
19 money if the real estate market crashed by 40% and that this has never happened before.
20 Woodbridge Group omitted to tell this prospective investor about the risks associated with the
21 FPCMs, the Massachusetts Consent, the Texas Consent, or the fact that Woodbridge was operating
22 as a Ponzi scheme.

23 20. On December 1, 2017, Shapiro resigned as President and/or the control person for
24 Respondents and Respondents ceased all retail fundraising.

25 21. On December 4, 2017, Respondents, along with numerous other related entities,
26 submitted petitions pursuant to Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court for

1 the District of Delaware (the "Bankruptcy Court"), commencing a series of cases that are jointly
2 administered (all bankruptcy cases jointly administered under Case No. 17-12560 (KJC) are
3 collectively referred to herein as the "Woodbridge Bankruptcy Case").

4 22. Respondents are authorized and continue to operate and manage their own property as
5 debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6 23. Respondents neither admit nor deny the allegations made in the above Findings of
7 Fact.

8 II.

9 CONCLUSIONS OF LAW

10 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
11 Arizona Constitution and the Securities Act.

12 2. Woodbridge Group and the Woodbridge Funds offered or sold securities within or
13 from Arizona, within the meaning of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

14 3. Woodbridge Group and the Woodbridge Funds violated A.R.S. § 44-1841 by
15 offering or selling securities that were neither registered nor exempt from registration.

16 4. Woodbridge Group and the Woodbridge Funds violated A.R.S. § 44-1842 by
17 offering or selling securities while neither registered as a dealer or salesman nor exempt from
18 registration.

19 5. Woodbridge Group and the Woodbridge Funds violated A.R.S. § 44-1991 by (a)
20 employing a device, scheme, or artifice to defraud, (b) making untrue statements or misleading
21 omissions of material facts, or (c) engaging in transactions, practices, or courses of business that
22 operate or would operate as a fraud or deceit.

23 6. Woodbridge Group and the Woodbridge Funds' conduct is grounds for a cease and
24 desist order pursuant to A.R.S. § 44-2032.

25 7. Woodbridge Group and the Woodbridge Funds' conduct is grounds for an order of
26 restitution pursuant to A.R.S. § 44-2032.

8. Woodbridge Group and the Woodbridge Funds' conduct is grounds for administrative penalties under A.R.S. § 44-2036.

9. WMF Management directly or indirectly controlled the Woodbridge Funds, within the meaning of A.R.S. § 44-1999. Therefore, WMF Management is jointly and severally liable under A.R.S. § 44-1999 to the same extent as the Woodbridge Funds for any violations of A.R.S. § 44-1991.

III.

ORDER

THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondents' consent to the entry of this Order, attached and incorporated by reference, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondents, and any of Respondents' agents, employees, successors and assigns, permanently cease and desist from violating the Securities Act.

IT IS FURTHER ORDERED that Respondents comply with the attached Consent to Entry of Order.

IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 Respondents jointly and severally are liable (jointly and severally with all Respondents against whom orders are entered under Docket No. S-20988A-16-0354) for restitution to the Commission in the principal amount of \$3,582,894 (the "Restitution Claim") as a result of the conduct set forth in the Findings of Fact and Conclusions of Law. All distributions made in the Woodbridge Bankruptcy Case to or on account of Arizona FPCM investors and non-Arizona FPCM investors solicited by an Arizona salesperson will be credited as setoffs to the Restitution Claim. The Restitution Claim shall be subject to Sections 362 and 1141 of the Bankruptcy Code and the Bankruptcy Court shall have exclusive jurisdiction to hear and determine bankruptcy-specific issues concerning such Restitution Claim.

1 Pursuant to Section 510 of the Bankruptcy Code, all claim amounts asserted in the proofs of claim
2 filed by the Commission in the Woodbridge Bankruptcy Case (bearing Proof of Claim Nos. 4001,
3 4002, 4004, and 4005) (as the same may be amended, modified, or supplemented, the "Proofs of
4 Claim"), including, without limitation, the Restitution Claim, shall be subordinate to all creditor
5 claims (including principal and interest) that are allowed in the Woodbridge Bankruptcy Case, and
6 the official claims agent may so note on the claims register it maintains. Payment shall be made to
7 the "State of Arizona" to be placed in an interest-bearing account controlled by the Commission.
8 Any principal amount outstanding shall accrue interest at the rate of ten percent per annum from the
9 date of purchase until the date of this order.

10 IT IS FURTHER ORDERED that the restitution ordered in the preceding paragraph will
11 accrue interest, as of the date of the Order, at the rate of the lesser of (i) ten percent per annum or
12 (ii) at a rate per annum that is equal to one per cent plus the prime rate as published by the board of
13 governors of the federal reserve system in statistical release H. 15 or any publication that may
14 supersede it on the date that the judgment is entered.

15 The Commission shall disburse the funds on a pro-rata basis to investors shown on the
16 records of the Commission. Any restitution funds that the Commission cannot disburse to an
17 investor because the investor is deceased or an entity which invested is dissolved, shall be
18 disbursed on a pro-rata basis to the remaining investors shown on the records of the Commission.
19 Any remaining funds that the Commission determines it is unable to or cannot feasibly disburse
20 shall be transferred to the general fund of the state of Arizona.

21 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondents jointly and
22 severally are liable for an administrative penalty in the amount of \$150,000 (the "Administrative
23 Penalty") as a result of the conduct set forth in the Findings of Fact and Conclusions of Law.
24 Payment of the Administrative Penalty shall be subject to Sections 362 and 1141 of the Bankruptcy
25 Code and the Bankruptcy Court shall have exclusive jurisdiction to hear and determine bankruptcy-
26 specific issues concerning such Administrative Penalty. Pursuant to Section 510 of the Bankruptcy

1 Code, all claim amounts asserted in the Proofs of Claim, including, without limitation, the
2 Administrative Penalty, shall be subordinate to all creditor claims (including principal and interest)
3 that are allowed in the Woodbridge Bankruptcy Case, and the official claims agent may so note on
4 the claims register it maintains. Payment shall be made to the "State of Arizona." Any amount
5 outstanding shall accrue interest as allowed by law.

6 IT IS FURTHER ORDERED that payments received by the state of Arizona shall first be
7 applied to the Restitution Claim. Upon payment in full of the restitution obligation, payments shall
8 be applied to the Administrative Penalty.

9 For purposes of this Order, a bankruptcy petition by a Respondent made after the date of
10 this Order shall be an act of default. If Respondents do not comply with this Order, any outstanding
11 balance may be deemed in default and shall be immediately due and payable.

12 IT IS FURTHER ORDERED, that if Respondents fail to comply with this order, the
13 Commission may bring further legal proceedings against Respondents, including application to the
14 superior court for an order of contempt.

15 IT IS FURTHER ORDERED, that no finding of fact or conclusion of law contained in this
16 Order shall be deemed binding against any Respondent under this Docket Number who has not
17 consented to the entry of this Order.

18 IT IS FURTHER ORDERED that this Order shall become effective immediately.

19 IT IS FURTHER ORDERED, that nothing in this Order shall be, or deemed to be, an
20 admission or a declaration against interest by Respondents or used in any way by Respondents or
21 any party to the Woodbridge Bankruptcy Case to prejudice any rights or claims made by any party
22 in the Woodbridge Bankruptcy Case, including but not limited to Respondents, the Ad Hoc Unit
23 Holders Committee, the Ad Hoc Noteholders Committee or the Creditors Committee, all of which
24 rights are expressly preserved.

1 IT IS FURTHER ORDERED that, to the extent Section 1145 of the Bankruptcy Code is
 2 applicable, Respondents preserve all rights under Section 1145 of the Bankruptcy Code by
 3 consenting to the entry of this Order.

4 IT IS FURTHER ORDERED that the entity that obtained managerial control of the Debtors
 5 on December 1, 2017, WGC Independent Manager LLC, and any of its officers, employees,
 6 service providers, or agents (none of whom include Shapiro), shall not be subject to any
 7 disqualifications under the laws of the United States, any state, the District of Columbia or Puerto
 8 Rico, including without limitation, any disqualifications from current or future reliance upon the
 9 state or federal registration exemptions or safe harbor provisions, including, but not limited to 17
 10 C.F.R. §§ 203.506(d)(1) or 230.262(a).

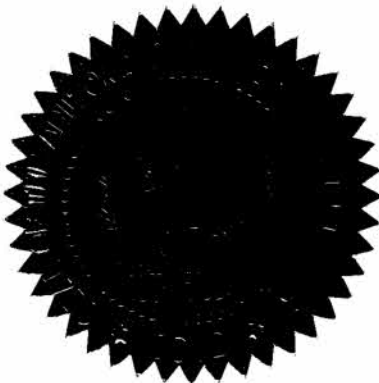
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 12 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

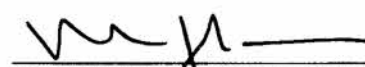
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 14 
 15 CHAIRMAN FORESE


 16 COMMISSIONER DUNN

17  COMMISSIONER TOBIN
 18  COMMISSIONER OLSON
 19  COMMISSIONER BURNS

20 IN WITNESS WHEREOF, I, MATTHEW J. NEUBERT,
 21 Interim Executive Director of the Arizona Corporation
 22 Commission, have hereunto set my hand and caused the
 23 official seal of the Commission to be affixed at the Capitol, in
 24 the City of Phoenix, this 27 day of
 25 November, 2018.



26 
 MATTHEW J. NEUBERT
 INTERIM EXECUTIVE DIRECTOR

1 DISSENT

3 DISSENT

5 This document is available in alternative formats by contacting Kacie Cannon, ADA Coordinator,
6 voice phone number (602) 542-3931, e-mail kcannon@azcc.gov.

7 (PSK)

CONSENT TO ENTRY OF ORDER

1
2 1. Respondents WMF Management, LLC, Woodbridge Group of Companies, LLC,
3 Woodbridge Mortgage Investment Fund 1, LLC, Woodbridge Mortgage Investment Fund 2, LLC,
4 Woodbridge Mortgage Investment Fund 3, LLC, and Woodbridge Mortgage Investment Fund 3A
5 (collectively "Respondents") admit the jurisdiction of the Commission over the subject matter of
6 this proceeding. Respondents acknowledge that Respondents have been fully advised of
7 Respondents' right to a hearing to present evidence and call witnesses and Respondents knowingly
8 and voluntarily waive any and all rights to a hearing before the Commission and all other rights
9 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona
10 Administrative Code. Respondents acknowledge that this Order to Cease and Desist, Order for
11 Restitution, Order for Administrative Penalties, and Consent to Same ("Order") constitutes a valid
12 final order of the Commission.

13 2. Respondents knowingly and voluntarily waive any right under Article 12 of the
14 Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief
15 resulting from the entry of this Order.

16 3. Respondents acknowledge and agree that this Order is entered into freely and
17 voluntarily and that no promise was made or coercion used to induce such entry.

18 4. Respondents have been represented by an attorney in this matter, Respondents have
19 reviewed this order with their attorney, Adam Schwartz of Homer Bonner Jacobs, and understand
20 all terms it contains. Respondents acknowledge that their attorney has apprised them of their rights
21 regarding any conflicts of interest arising from dual representation. Respondents acknowledge that
22 they have each given their informed consent to such representation.

23 5. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law
24 contained in this Order. As part of this Consent Order Respondents agree that they: (i) will not take
25 any action or make or permit to be made any public statement denying, directly or indirectly, any
26 allegation in the Order or creating the impression that the Order is without factual basis; and

(ii) will not make or permit to be made any public statement to the effect that Respondents do not admit the allegations of the Consent Order, or that this Consent Order contains no admission of the allegations, without also stating that Respondents do not deny the allegations. If Respondents breach this agreement, the Commission may vacate this Consent Order and restore this action. Nothing in this paragraph affects Respondents': (i) testimonial obligations; or (ii) right to take differing legal or factual positions in litigation or other legal proceedings. Respondents agree that Respondents shall not contest the validity of the Findings of Fact and Conclusions of Law contained in this Order in the present proceeding.

6. Respondents further agree that this Order shall collaterally estop them from re-litigating with the Commission the accuracy of the Findings of Fact and Conclusions of Law contained in this Order.

7. Respondents further agree that in any bankruptcy proceeding, including the Woodbridge Bankruptcy Case, pursuant to 11 U.S.C. § 523(a)(19), the following circumstances exist:

A. The obligations incurred as a result of this Order are a result of the conduct set forth in the Findings of Fact and Conclusions of Law in the Order and are for the violation of Arizona state securities laws, pursuant to 11 U.S.C. § 523(a)(19)(A)(i);

B. This Order constitutes a judgment, order, consent order, or decree entered in a state proceeding pursuant to 11 U.S.C. § 523(a)(19)(B)(i), a settlement agreement entered into by Respondents pursuant to 11 U.S.C. § 523(a)(19)(B)(ii), and a court order for damages, fine, penalty, citation, restitution payment, disgorgement payment, attorney fee, cost or other payment owed by Respondents pursuant to 11 U.S.C. § 523(a)(19)(B)(iii).

8. While this Order settles this administrative matter between Respondents and the Commission, Respondents understand that this Order does not preclude the Commission from instituting other administrative or civil proceedings based on violations that are not addressed by this Order.

1 9. Respondents understand that this Order does not preclude the Commission from
2 referring this matter to any governmental agency for administrative, civil, or criminal proceedings
3 that may be related to the matters addressed by this Order.

4 10. Respondents understand that this Order does not preclude any other agency or
5 officer of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal
6 proceedings that may be related to matters addressed by this Order.

7 11. Preserving all rights under Section 1145 of the Bankruptcy Code, to the extent
8 applicable, Respondents agree that Respondents will not apply to the state of Arizona for
9 registration as securities dealers or salesmen or for licensure as investment advisers or investment
10 adviser representatives until such time as the Administrative Penalty and Restitution Claim are paid
11 in full.

12 12. Preserving all rights under Section 1145 of the Bankruptcy Code, to the extent
13 applicable, including the right to issue liquidation trust interests under a chapter 11 bankruptcy plan
14 if allowed by Federal and state securities laws, Respondents agree that they will not exercise any
15 control over any entity that offers or sells securities or provides investment advisory services within
16 or from Arizona until such time as the Administrative Penalty and Restitution Claim are paid in
17 full.

18 13. Respondents agree that they will continue to cooperate with the Securities Division
19 including, but not limited to, providing complete and accurate testimony at any hearing in this
20 matter and cooperating with the state of Arizona in any related investigation or any other matters
21 arising from the activities described in this Order.

22 14. Respondents consent to the entry of this Order and agree to be fully bound by its
23 terms and conditions.

24 15. Respondents acknowledge and understand that if Respondents fail to comply with
25 the provisions of the order and this consent, the Commission may bring further legal proceedings
26 against Respondents, including application to the superior court for an order of contempt.

16. Respondents understand that Respondents' failure to comply with the terms of the Order shall render Respondents liable to the Commission for its costs of collection, including reasonable attorneys' fees and interest at the maximum legal rate.

17. Respondents agree and understand that if Respondents fail to comply with the Order, any outstanding balance shall be in default and shall be immediately due and payable without notice or demand. Respondents agree and understand that acceptance of any partial payment by the Commission is not a waiver of default by the Commission.

18. Bradley Sharp represents that he is the Chief Restructuring Officer of WGC Independent Manager LLC and has been authorized by WMF Management, LLC, Woodbridge Group of Companies, LLC, Woodbridge Mortgage Investment Fund 1, LLC, Woodbridge Mortgage Investment Fund 2, LLC, Woodbridge Mortgage Investment Fund 3, LLC, and Woodbridge Mortgage Investment Fund 3A, LLC to enter into this Order for and on their behalf with the approval of the Bankruptcy Court.

WMF Management, LLC
Woodbridge Group of Companies, LLC
Woodbridge Mortgage Investment Fund 1, LLC
Woodbridge Mortgage Investment Fund 2, LLC
Woodbridge Mortgage Investment Fund 3, LLC
Woodbridge Mortgage Investment Fund 3A, LLC

By:

Bradley Sharp

Chief Restructuring Officer

WGC Independent Manager LLC

STATE OF)
) ss
County of)

SUBSCRIBED AND SWORN TO BEFORE me this 17TH day of September, .

Roberta L Aranda, Notary Public

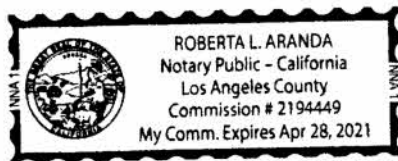
Docket No. S-20988A-16-0354



NOTARY PUBLIC

My commission expires:

April 28, 2021



SERVICE LIST FOR: WMF MANAGEMENT, LLC ET AL.

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